

**Joint Position of the Supervisory Board and the Management Board
of the Warsaw Stock Exchange
dated 17 December 2018 (as amended)
concerning rules of public trading on the exchange**

(consolidated text as of 1 January 2023)

The Supervisory Board and the Management Board of the Warsaw Stock Exchange, acting pursuant to § 35 of the Exchange Rules, hereby resolve as follows:

I.

The Supervisory Board and the Management Board of the Warsaw Stock Exchange hereby ascertain that the following circumstances related to the issuance of shares or the issuers' seeking the admission or introduction of shares or rights to shares to trading on the exchange may be considered to be in conflict with the rules of public trading on the exchange.

In the event of any occurrence of such circumstances, the issuers of shares may expect refusal to admit or introduce such shares or rights to such shares to exchange trading as they are issued in breach of the rules of public trading on the exchange.

II.

In the opinion of the Supervisory Board and the Management Board of the Warsaw Stock Exchange, the following circumstances may be considered to be extremely adverse to trading on the exchange and the development of the capital market and, as such, in conflict with the rules of public trading on the exchange:

1) issuing, to the exclusion or limitation of subscription rights, shares of the same kind at issue prices which are significantly different or which materially deviate from the price on the exchange, in such a way that:

- a) the difference between the issue prices of shares of a company which is seeking for the first time the admission of shares or rights to shares to exchange trading is greater than 50% of the lower price and the period of time between the determination of such prices is less than 9 months; or
 - b) the difference between the average price of shares of an issuer in exchange trading in the last three months preceding the determination of the issue price of new issue shares and such price is greater than 50% of such price and, where the issuer's shares are traded for less than three months before the determination of such price, greater than 50% of the average price of such shares in such period;
- 2) issuing shares which are taken up by offsetting cash debits or in exchange for a contribution in kind, where the circumstances of the debt offset or the value of the contribution in kind raise reasonable doubt, in particular where such doubt is included in an audit or other verification of the value of assets related to the debt offset or forming the contribution in kind, performed by a statutory auditor, court expert or other authorised entity, or where the statutory auditor raises doubts about the value of such assets in the audit of annual financial statements;
 - 3) an application for admission or introduction to exchange trading by an issuer whose shares of the same kind are traded on the exchange which covers only a part of shares or rights to shares where such shares are issued in a public offering and the resolution concerning the issue of such shares does not explicitly provide for the admission or introduction to exchange trading of only a part of shares or rights to shares so issued;
 - 4) an application for admission or introduction of shares or rights to shares to exchange trading by an issuer whose shares of the same kind are traded on the exchange where bankruptcy, recovery or other similar proceedings are pending against the issuer unless the application for admission or introduction to exchange trading covers shares or rights to shares issued in an issue with subscription rights or in the implementation of legally valid creditor arrangements;
 - 5) an application for admission or introduction of shares or rights to shares to exchange trading by an issuer whose shares of the same kind are traded on the exchange where administrative proceedings are pending against the issuer, generating reasonable risk of an order to delist the issuer's shares on the regulated market.

III.

Issuing shares in the cases referred to in section II.1 is not considered to be in conflict with the rules of public trading on the exchange where at least two years have passed since the date of the resolution/decision setting the issue price of the shares unless, in the opinion of the Exchange Management Board, this is in conflict in particular with the safety of exchange trading or the interest of its participants. If the issue price of such shares is changed after the date referred to in the first sentence, the time limit referred to therein is counted from the date of the resolution/decision changing the price.

Issuing shares or an application concerning shares in the cases referred to in sections II.1 – II.4 may not be considered to be in conflict with the rules of public trading on the exchange where it is justified, in the opinion of the Exchange Management Board, by the nature and size of the issue, a particular legitimate interest of the issuer or a particular legitimate interest of its shareholders.

IV.

In the opinion of the Supervisory Board and the Management Board of the Warsaw Stock Exchange, if an issuer submits an application for the admission or introduction of shares or rights to shares to exchange trading where such instruments or their issuer are affected by any of the circumstances referred to in section II, the issuer shall publish such information together with information about the risk of refusal to admit or introduce such shares or rights to shares to exchange trading due to such shares or rights to shares being considered to be issued in breach of the rules of public trading on the exchange.

V.

This Joint Position shall come into force on 1 January 2019.

To the extent of sections II.1 – II.3, this Joint Position shall apply to the admission and introduction to exchange trading of shares and rights to shares issued under resolutions or decisions of competent authorities issued after 31 December 2018.